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September 17, 2013

The Honorable Robert Thompson, Co-Chair
The Honorable Mark Perry, Co-Chair
Arkansas Lottery Commission Legislative Oversight Committee
One Capitol Mall, Room R-501
Little Rock, AR 72201

RE: Notice of Execution of Licensing Agreement

## Gentlemen:

In accordance with the letter of December 14, 2010, from the previous Co-Chairs of the Arkansas Lottery Commission Legislative Oversight Committee, please consider this letter and the attachment as notice of the execution on August 8, 2013, of a Non-Exclusive Licensing Agreement between Scientific Games International ("SGI") and the Arkansas Lottery Commission ("ALC"). The Non-Exclusive Licensing Agreement allows the ALC to reproduce, use, and make copies of Instant Game No. 205 "BETTY BOOP<sup>TM</sup> LIMITED" licensed property.

- 1. Date of Agreement: August 8, 2013
- 2. Term of Agreement: The term of this agreement shall commence on the date the Working Papers for the Game are signed and shall expire on the last day for claiming Game prizes as established by the ALC.
- 3. Vendor or other parties to the Agreement: Scientific Games International.
- 4. Value (cost or cost savings projected for the agreement): The base instant game contract price is 1.81% of net sales. There is a price of \$1.89 per 1000 tickets for FailSafe Barcode Services and a price of 1.5% of the prize fund for Points for Prizes Rewards/Merchandise Prizes and Fulfillment. The preceding costs are standard for all ALC instant games. There are no additional costs for the use of BETTY BOOP<sup>TM</sup> LIMITED.

A copy of the executed document is attached. Please let me know if you would like additional information or have any questions regarding this matter.

Respectfully,

Bishop Woosley

Director

## **Enclosure**

cc: Dr. George Hammons, Chair, Arkansas Lottery Commission Mr. Roger Norman, Legislative Auditor, Division of Legislative Audit

## **Order / Price Confirmation**

Scientific Games International 1500 Bluegrass Lakes Parkway Alpharetta, GA 30004

This letter constitutes the order of the ARKANSAS LOTTERY COMMISSION for one million eight hundred thousand (1,800,000) (±5%) tickets of Instant Game No. 205 "BETTY BOOP™ LIMITED" as fully described in Version 1 of the "Game Specifications" document dated July 30, 2013 with Prize Structure Version C dated August 08, 2013. Final invoice will be based on total number of tickets sold based on percentage of sales (1.8100%).

Instant Ticket Lottery Game Services: 1.5800%
Web Site Marketing Services (Player's Club/Internet Marketing): 0.0900%
Play it Again<sup>TM</sup> and Second Chance Drawing Management Services: 0.1400%

The three (3) prices shown above are based upon the lottery implementing all three (3) services.

Points for Prizes Rewards/Merchandise Prizes and Fulfillment: 1.50% of the prize fund for all instant games included in program.

You are hereby authorized to proceed with the production of game tickets and performance of the associated services according to the specifications contained herein.

Options Quantity Price
FailSafe® Barcode 1,800,000 \$1.89 per 1000
Full UV No Charge
Total Price For Options (estimated) Total price per 1000: \$1.89

ACKNOWLEDGED AND ACCEPTED:

ACKNOWLEDGED AND ACCEPTED:

Michael C. Smith

Arkansas Lottery Commission (Printed)

Scientific Games International (Signature)

Arkansas Lottery Commission (Signature)

Date

Date